

A SUBSTITUTE ORDINANCE BY

07-O-0188

**COMMUNITY DEVELOPMENT/
HUMAN RESOURCES COMMITTEE**

AN ORDINANCE AUTHORIZING THE MAYOR OR HER DESIGNEE, ON BEHALF OF THE CITY, TO ENTER INTO VENDING AGREEMENTS FOR THE 2007, 2008, AND 2009 ATLANTA JAZZ FESTIVAL AND MONTREUX JAZZ FESTIVAL IN ATLANTA, AND DIRECTING THAT ALL JAZZ FESTIVAL VENDING FEES BE DEPOSITED INTO THE JAZZ FESTIVAL TRUST FUND ACCOUNT, FUND CENTER NUMBER 3P02 464101 N41S0201QNA0, AND THAT ALL MONTREUX FESTIVAL VENDING FEES BE DEPOSITED INTO THE MONTREUX FESTIVAL TRUST FUND ACCOUNT, FUND ACCOUNT CENTER NO. 3P02 464101 N41S0202QNA0; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta ("City") produces two music festivals each year for the benefit of its citizens, the Atlanta Jazz Festival ("Jazz Festival") and the Montreux Jazz Festival in Atlanta ("Montreux Festival") (collectively, the "Festivals");

WHEREAS, the Jazz Festival is held throughout the month of May, culminating during the Memorial Day weekend, and includes approximately one hundred free events and approximately ten events for which an admission price is charged; and

WHEREAS, the Montreux Festival is held for up to five consecutive days, including the Labor Day weekend, and includes approximately ten free events and fifteen events for which an admission price is charged; and

WHEREAS, one way that the City pays for the Festivals is through vending at the Festivals. Numerous vendors request the ability to sell and/or advertise their goods at these Festivals, including vendors selling merchandise, and vendors selling food and drinks. The City determines the types and quality of food, drinks, and merchandise that the City desires to have available, and determines the quantity of each type of vendor that is needed at each festival; and

WHEREAS, based upon the City's determination of its needs, and the information submitted by vendors, the City selects vendors for each of the Festivals; and

WHEREAS, as the producer of the Festivals, the City must negotiate and enter contracts with each of the vendors that it selects ("Vendor Agreements"); and

WHEREAS, the Vendor Agreements establish that a particular vendor is being hired to vend at one of the Festivals. The City's payment to the vendor takes the form of



producing the festival, and thereby providing thousands of potential customers for the vendor. Typically, because of the large number of attendees, and because the number of vendors at the Festivals is limited, vendors at the Festivals derive a tremendous amount of revenue; and

WHEREAS, in addition to providing its vending services for the City, the vendor compensates the City for providing potential customers by paying a contract price. The contract price required by the City is based on the market rate for the right to vend at a large, well-attended outdoor festival, and is also based on whether the vendor is selling goods or advertising goods, whether the goods being sold are edible, the cost of the goods being sold, and the size of the space being provided to the vendor; and

WHEREAS, the Vendor Agreements are different from a vending permit received by a vendor wishing to vend on City public property. A Vendor Agreement is a revenue generating contract between the City and a vendor, whereby the vendor provides a service for the City. In contrast, with a vending permit, the vendor is not fulfilling a City need, nor providing a specific service for the City. A person desiring a vending permit submits an application to the City Police Department, and requests a particular vending location plus two alternatives. If the applicant for the vending permit passes the criminal background check, s/he will be placed on a master list and the desired vending location will be assigned on a first come, first served basis; and

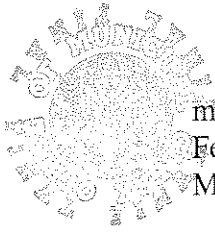
WHEREAS, when a private organizer sponsors an outdoor festival, the organizer receives a City Outdoor Festival permit for her/his event, and that permit allows for vending during the festival. The private organizer then contracts with vendors to sell goods and merchandise at the festival, and the vendors are not required to obtain a vending permit from the City of Atlanta; and

WHEREAS, similarly, the City of Atlanta Office of Cultural Affairs receives a City permit to hold the Jazz and Montreux Festivals, and this permit precludes the need for vendors at the Festivals to obtain a City vending permit; and

WHEREAS, the contract price paid by vendors entering Vendor Agreements for providing services at one of the Festivals is different from the fee paid by vendors receiving a vending permit to vend on public property; and

WHEREAS, the Vendor Agreements must be made after the City hires the artists for each of the Festivals, and determines the landscape of each of the Festivals. Therefore the Vendor Agreements must be made within a relatively close time proximity to the Festivals, and the City does not have time to select and contract with the Festivals' vendors as set forth in the Procurement Code. The Vendor Agreements for the Festivals should be exempt from the Procurement Code; and

WHEREAS, during one or more of the Festivals, the City may determine that it is advantageous to contract with a company to manage all Festival vending. A vending management company would be responsible for selecting, contracting with, coordinating,



managing, and handling any and all necessary arrangements regarding any and all Festival vendors ("Vendor Management") for that portion of the Festival occurring on Memorial Day weekend or Labor Day weekend, as applicable; and

WHEREAS, based upon the reduced number of employees in the Office of Cultural Affairs, the Office is unable to self perform the Vendor Management for the Jazz Festival; and

WHEREAS, it is in the City's best interest to contract with a vending management company for the Jazz Festival so that the City does not forgo a significant revenue generating opportunity; and

WHEREAS, Premier Events Management ("PEM") is an experienced vending management company that has provided Vendor Management services at previous Jazz Festivals. The Office of Cultural Affairs recommends that the City contract with PEM, whereby PEM will handle all Vending Management for that portion of the 2007, 2008, and 2009 Jazz Festival occurring on Memorial Day weekend.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, as follows:

Section 1. The Mayor or her designee, on behalf of the City, is authorized to enter Vendor Agreements for the 2007, 2008, and/or 2009 Jazz Festival and/or the 2007, 2008, and/or 2009 Montreux Festival. The Commissioner or her designee shall use her discretion to establish written criteria by which to select vendors. The written criteria shall further the artistic and business objectives of the Festivals. Upon selection of each vendor, the Commissioner or her designee shall document her rationale for each selection, indicating how that selection was consistent with the written criteria. The Vendor Agreements shall indicate, at a minimum, the type of product that the vendor will be selling or advertising, the dates and times during which the vending shall be permitted, the location of the vending, the size of the vending area that will be provided by the City, and the contract price to be paid by the vendor. All vending contract prices quoted in the Vendor Agreements shall be for a vending booth at either of the two Festivals during the three-day Memorial Day or Labor Day weekend, as applicable. These vending fees shall be the same as the fees charged at the 2004, 2005, and 2006 Festivals, and specifically shall be in the following ranges: the fee for vending merchandise shall be between \$300 through \$2,000; the fee for vending food and/or non-alcoholic drinks shall be between \$750 through \$5,000; and the fee for persons or companies wishing to advertise a particular product at a vending booth shall be between \$5,000 through \$15,000. Lastly, the fee for vending drinks, including beer, shall be calculated based upon a percentage of gross receipts, whereby that percentage shall be, at a minimum, 25%. The Commissioner or her designee shall develop a schedule of criteria by which the exact vending prices shall be determined, and applied consistently amongst vendors within the same category. The Vendor Agreements shall require each vendor to comply with all rules, regulations,



laws, and policies of all governmental agencies having jurisdiction over the Festivals, including but not limited to the Fulton County Health Department.

Section 2. The Mayor or her designee, on behalf of the City, is authorized to enter an agreement with Premier Events Management, whereby PEM shall be responsible for Vending Management for that portion of the 2007, 2008, and/or 2009 Jazz Festival occurring on Memorial Day weekend ("Memorial Day Segment"). The Vending Management services performed by Premier shall include but not be limited to selecting, contracting with, coordinating with, and managing all Memorial Day Segment vendors, and handling any and all necessary arrangements regarding those vendors. In exchange for this service, the City shall pay PEM 18% of the vending fees paid by food vendors. PEM shall provide the following services without any charge to the City: Vending Management of all merchandise vendors; Vending Management of all corporate vendors; Consultation services regarding the overall design and layout of the Memorial Day Segment; and Consultation and assistance with the Memorial Day Segment sponsors to assure their satisfaction. In addition, PEM will self-perform the vending of beverages, including beer. In its capacity as beverage vendor, PEM will pay the City 25% of the first \$25,000 it earns at each year's Memorial Day Segment, 30% of their gross receipts between the amount of \$25,001 through \$40,000, and 35% of all gross receipts exceeding \$40,000.

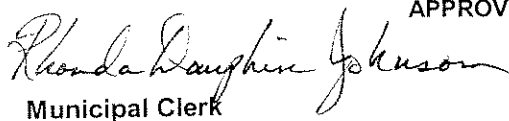
Section 3. All Jazz Festival vending fees shall be deposited into the Jazz Festival Trust Fund Account, Fund Account Center No. 3P02 464101 N41S0201QNA0, and shall be used to pay for Jazz Festival costs only. All Montreux Festival vending fees shall be deposited into the Montreux Festival Trust Fund Account, Fund Account Center No. 3P02 464101 N41S0202QNA0, and shall be used to pay for Montreux Festival costs only. All Jazz Festival costs, if any, shall be charged to and paid from Jazz Festival Trust Fund Account, Fund Account Center number 3P02 524001 N41S0201QNA0. All Montreux Festival costs, if any, shall be charged to and paid from Montreux Festival Trust Fund Account, Fund Account Center number 3P02 524001 N41S0202QNA0.

Section 4. All ordinances in conflict herewith are hereby repealed for purposes of this Ordinance only, and only to the extent of the conflict.

A true copy,

ADOPTED by the City Council
APPROVED by the Mayor

FEB 19, 2007
FEB 27, 2007


Municipal Clerk

RCS# 925
2/19/07
2:04 PM

Atlanta City Council

REGULAR SESSION

CONSENT I

07-O-0251,

ADOPT EXCEPT

YEAS: 13
NAYS: 0
ABSTENTIONS: 0
NOT VOTING: 1
EXCUSED: 0
ABSENT 2

Y Smith	B Archibong	Y Moore	Y Mitchell
Y Hall	Y Fauver	Y Martin \	B Norwood
Y Young	Y Shook	Y Maddox	Y Willis
Y Winslow	Y Muller	Y Sheperd	NV Borders

CONSENT I

07-0-0188

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COMMUNITY DEVELOPMENT/
HUMAN RESOURCES COMMITTEE

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HIS DESIGNEE, ON BEHALF OF THE CITY, TO
ENTER INTO VENDING AGREEMENTS FOR THE
2007, 2008, AND 2009 ATLANTA JAZZ FESTIVAL,
AND MONTREUX ATLANTA MUSIC FESTIVAL,
AND DIRECTING THAT ALL JAZZ FESTIVAL,
VENDING FEES BE DEPOSITED INTO THE JAZZ
FESTIVAL TRUST FUND ACCOUNT, FUND
CENTER NUMBER 3P02 464101 N41S0201QNA0,
AND THAT ALL MONTREUX FESTIVAL VENDING
FEES BE DEPOSITED INTO THE MONTREUX
FESTIVAL TRUST FUND ACCOUNT, FUND
ACCOUNT CENTER NO. 3P02 464101
N41S0202QNA0; AND FOR OTHER PURPOSES.

ADOPTED BY

FEB 19 2007

COUNCIL

SUBSTITUTE

☒ CONSENT REFER

☐ REGULAR REPORT REFER

☐ ADVERTISE & REFER

☐ 1st ADOPT 2nd READ & REFER

☐ PERSONAL PAPER REFER

Date Referred

2-05-07

Referred To:

CD/HJR

Date Referred

Referred To:

Date Referred

Referred To:

First Reading

Committee

Date

Chair

Referred to

Committee

Date

Chair

Action:

Fav, Adv, Held (see rev. side)

Other

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Held (see rev. side)

Other

Members

Refer To

Committee

Date

Chair

Action:

Fav, Adv, Held (see rev. side)

Other

Members

Committee

Date

Chair

Action:

Fav, Adv, Held (see rev. side)

Other

Members

FINAL COUNCIL ACTION

☐ 2nd ☐ 1st & 2nd ☐ 3rd

Reading

☐ Consent ☐ V. Vo. ☒ RC Vote

CERTIFIED

CERTIFIED

FEB 19 2007

ATLANTA CITY COUNCIL, PRESIDENT

Jan D. Patterson

FEB 19 2007

Shirley D. Bynum
MUNICIPAL CLERK

MAYOR'S ACTION

APPROVED

FEB 27 2007

MAYOR